

HOUSE BILL 802

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C8
HB 1089/98 - ECM

1999 Regular Session
9r1444

By: **Delegates Rosenberg and Mitchell**

Introduced and read first time: February 12, 1999

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Economic Development - Maryland Regional Economic Competitiveness Act**

3 FOR the purpose of establishing a regional economic competitiveness program in the
4 Department of Business and Economic Development for certain purposes;
5 establishing a Maryland Regional Economic Competitiveness Fund in the
6 Department; providing for the administration, funding, and status of the Fund;
7 specifying certain eligibility requirements for payments from the Fund to
8 certain local jurisdictions or regional partnerships; authorizing the Department
9 to determine certain priorities in determining the eligibility of local jurisdictions
10 or regional partnerships that apply for moneys from the Fund; specifying the
11 year in which local jurisdictions or regional partnerships are eligible to receive a
12 certain payment; requiring certain local jurisdictions or a regional partnership
13 to submit a certain report to the Department; providing for participation by a
14 local jurisdiction in two different regional partnerships under certain
15 circumstances; requiring certain intergovernmental cooperation among all units
16 of State, county, and local government in the State; authorizing local
17 jurisdictions of a regional partnership to submit certain information to the
18 Department before submitting a certain application; requiring the Department
19 to provide certain technical assistance and to suggest remedial action under
20 certain circumstances and authorizing the Department to provide certain
21 technical assistance on a certain request; authorizing the Department to adopt
22 certain regulations; providing that a decision to fund or not to fund a certain
23 joint activity is not subject to certain administrative actions; providing that this
24 Act does not create a private cause of action; defining certain terms; and
25 generally relating to regional economic development and competitiveness.

26 BY adding to

27 Article 83A - Department of Business and Economic Development
28 Section 6-901 through 6-912, inclusive, to be under the new subtitle "Subtitle 9.
29 Maryland Regional Economic Competitiveness Act"
30 Annotated Code of Maryland
31 (1998 Replacement Volume)

32 BY repealing and reenacting, without amendments,

33 Article 83A - Department of Business and Economic Development

1 Section 1-101(a) and (b)
2 Annotated Code of Maryland
3 (1998 Replacement Volume)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
5 MARYLAND, That the Laws of Maryland read as follows:

6 **Article 83A - Department of Business and Economic Development**

7 1-101.

8 (a) In this article the following words have the meanings indicated.

9 (b) "Department" means the Department of Business and Economic
10 Development.

11 SUBTITLE 9. MARYLAND REGIONAL ECONOMIC COMPETITIVENESS ACT.

12 6-901.

13 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
14 INDICATED.

15 (B) "FUND" MEANS THE MARYLAND REGIONAL ECONOMIC COMPETITIVENESS
16 FUND ESTABLISHED UNDER § 6-903 OF THIS SUBTITLE.

17 (C) "JOINT ACTIVITY" MEANS A GOVERNMENTAL FUNCTION THAT:

18 (1) IS CARRIED OUT BY, PERFORMED ON BEHALF OF, OR CONTRACTED
19 FOR TWO OR MORE LOCAL JURISDICTIONS; AND

20 (2) INVOLVES ONE OR MORE ACTIVITIES CONCERNING:

21 (I) JOB CREATION OR ECONOMIC DEVELOPMENT; OR

22 (II) REVENUE SHARING OR GROWTH SHARING AGREEMENTS.

23 (D) "LOCAL JURISDICTION" MEANS A COUNTY OR BALTIMORE CITY.

24 (E) "REGIONAL PARTNERSHIP" MEANS A PLANNING OR ECONOMIC
25 DEVELOPMENT ORGANIZATION THAT IS COMPOSED OF TWO OR MORE LOCAL
26 JURISDICTIONS THAT CARRY OUT THIS SUBTITLE.

27 6-902.

28 THE PURPOSES OF THIS SUBTITLE ARE:

29 (1) TO PROVIDE AN INCENTIVE TO LOCAL JURISDICTIONS TO EXERCISE
30 THE STRATEGIC AND COOPERATIVE OPTIONS SPECIFIED IN THIS SUBTITLE TO

1 ADDRESS ECONOMIC COMPETITIVENESS ISSUES FOR THE MUTUAL BENEFIT OF THE
2 LOCAL JURISDICTIONS AND THE BENEFIT OF THE STATE; AND

3 (2) TO ENCOURAGE REGIONAL CONFIGURATIONS OF LOCAL
4 JURISDICTIONS OF A SUFFICIENT SCALE TO ADDRESS REGIONAL ECONOMIC
5 COMPETITIVENESS ISSUES WHILE ALSO REDUCING OR ELIMINATING REGIONAL
6 FRAGMENTATION IN THE STATE.

7 6-903.

8 (A) THERE IS A MARYLAND REGIONAL ECONOMIC COMPETITIVENESS FUND
9 IN THE DEPARTMENT.

10 (B) THE PURPOSE OF THE FUND IS TO ENCOURAGE AND REWARD REGIONAL
11 JOINT ACTIVITIES AS SPECIFIED IN THIS SUBTITLE.

12 (C) THE DEPARTMENT SHALL ADMINISTER THE FUND.

13 (D) THE FUND CONSISTS OF MONEYS APPROPRIATED BY THE GENERAL
14 ASSEMBLY AND RECEIVED FROM ANY OTHER LAWFUL SOURCE.

15 (E) ON A DATE DETERMINED BY THE DEPARTMENT, THE DEPARTMENT SHALL
16 DISTRIBUTE THE MONEYS IN THE FUND TO:

17 (1) LOCAL JURISDICTIONS THAT QUALIFY UNDER § 6-904 OF THIS
18 SUBTITLE; OR

19 (2) REGIONAL PARTNERSHIPS THAT QUALIFY UNDER § 6-904 OF THIS
20 SUBTITLE.

21 (F) THE FUND SHALL BE USED TO PAY EXPENSES FOR ADMINISTRATIVE,
22 LEGAL, ACTUARIAL, TECHNICAL ASSISTANCE, AND OTHER SERVICES.

23 (G) (1) THE FUND IS A CONTINUING, NONLAPSING FUND, NOT SUBJECT TO §
24 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

25 (2) ANY UNSPENT PORTIONS OF THE FUND MAY NOT BE TRANSFERRED
26 OR REVERT TO THE GENERAL FUND OF THE STATE, BUT SHALL REMAIN IN THE FUND
27 TO BE USED FOR THE PURPOSES SPECIFIED IN THIS SUBTITLE.

28 6-904.

29 (A) TO QUALIFY FOR A PAYMENT FROM THE FUND, AN APPLICATION SHALL
30 BE SUBMITTED TO THE DEPARTMENT BY:

31 (1) TWO OR MORE LOCAL JURISDICTIONS JOINTLY; OR

32 (2) A REGIONAL PARTNERSHIP.

33 (B) AT THE TIME OF THE APPLICATION, THE LOCAL JURISDICTIONS OR A
34 REGIONAL PARTNERSHIP SHALL HAVE DEVELOPED AND FORMALLY ADOPTED A

1 PLAN THAT ESTABLISHES CLEAR, MEASURABLE OUTCOMES THAT THE LOCAL
2 JURISDICTIONS OR REGIONAL PARTNERSHIP SHALL USE TO ASSESS PROGRESS
3 WITHIN THE LOCAL JURISDICTIONS OR REGIONAL PARTNERSHIP TO ADDRESS THE
4 ECONOMIC COMPETITIVENESS OF THE LOCAL JURISDICTIONS OR REGIONAL
5 PARTNERSHIP AND THE DELIVERY OF THE PROPOSED JOINT ACTIVITIES.

6 (C) AS A CONDITION OF APPROVAL BY THE DEPARTMENT, AN APPLICATION
7 SHALL INCLUDE THE APPROVAL OF THE CHIEF ECONOMIC DEVELOPMENT OFFICER
8 OR EQUIVALENT ENTITY REPRESENTING THE AFFECTED LOCAL JURISDICTIONS.

9 6-905.

10 IN DETERMINING THE ELIGIBILITY OF LOCAL JURISDICTIONS OR A REGIONAL
11 PARTNERSHIP FOR A PAYMENT FROM THE FUND FOR A JOINT ACTIVITY, THE
12 DEPARTMENT SHALL DETERMINE PRIORITIES BASED ON:

13 (1) THE SIGNIFICANCE OF THE JOINT ACTIVITY AS MEASURED BY:

14 (I) THE AMOUNT OF FISCAL RESOURCES COMMITTED TO THE
15 JOINT ACTIVITY BY THE AFFECTED LOCAL JURISDICTIONS; OR

16 (II) THE EXTENT OF REGIONAL EFFORT INVOLVED IN DEVELOPING
17 THE JOINT ACTIVITY;

18 (2) THE NUMBER OF LOCAL JURISDICTIONS THAT PARTICIPATE IN THE
19 JOINT ACTIVITY;

20 (3) THE AMOUNT OF FISCAL RESOURCES COMMITTED TO THE JOINT
21 ACTIVITY BY THE LOCAL JURISDICTION WHERE THE JOINT ACTIVITY IS LOCATED;

22 (4) THE COMPLEXITY OF THE JOINT ACTIVITY;

23 (5) THE GENERAL IMPACT OF THE JOINT ACTIVITY ON RELATIONS
24 BETWEEN OR AMONG AFFECTED LOCAL JURISDICTIONS; OR

25 (6) ANY OTHER FACTOR RELEVANT AND APPROPRIATE TO ECONOMIC
26 DEVELOPMENT.

27 6-906.

28 (A) THE YEAR IN WHICH LOCAL JURISDICTIONS OR A REGIONAL
29 PARTNERSHIP IS ELIGIBLE FOR A PAYMENT FROM THE FUND IS THE FISCAL YEAR OF
30 THE STATE NEXT AFTER THE CALENDAR YEAR IN WHICH THE JOINT ACTIVITY
31 QUALIFIES FOR THE PAYMENT.

32 (B) THE DEPARTMENT ANNUALLY SHALL MAKE PAYMENTS FROM THE FUND
33 TO ELIGIBLE LOCAL JURISDICTIONS AND ELIGIBLE REGIONAL PARTNERSHIPS.

1 6-907.

2 (A) THIS SECTION APPLIES TO LOCAL JURISDICTIONS OR A REGIONAL
3 PARTNERSHIP THAT THE DEPARTMENT DETERMINES TO BE ELIGIBLE FOR A
4 PAYMENT FROM THE FUND.

5 (B) ON OR BEFORE A DATE DETERMINED BY THE DEPARTMENT, LOCAL
6 JURISDICTIONS OR A REGIONAL PARTNERSHIP SHALL SUBMIT A REPORT TO THE
7 DEPARTMENT THAT INCLUDES AT A MINIMUM A DESCRIPTION OF THE PROGRESS OF
8 THE LOCAL JURISDICTIONS OR REGIONAL PARTNERSHIP IN:

9 (1) IMPROVING THE ECONOMIC COMPETITIVENESS OF THE LOCAL
10 JURISDICTIONS OR REGIONAL PARTNERSHIP IN ACCORDANCE WITH THIS SUBTITLE;
11 AND

12 (2) ADDRESSING THE CRITICAL ISSUES OF ECONOMIC
13 COMPETITIVENESS IDENTIFIED IN THE PLAN FOR THE LOCAL JURISDICTIONS OR
14 REGIONAL PARTNERSHIP SUBMITTED UNDER § 6-904(B) OF THIS SUBTITLE.

15 6-908.

16 A LOCAL JURISDICTION MAY PARTICIPATE IN TWO DIFFERENT REGIONAL
17 PARTNERSHIPS, IF BOTH REGIONAL PARTNERSHIPS AGREE ON A CLEAR METHOD OF
18 DIVIDING THE POPULATION OF THE LOCAL JURISDICTION THAT SEEKS
19 PARTICIPATION FOR PURPOSES OF DISTRIBUTION OF PAYMENTS IN THE FUND.

20 6-909.

21 (A) ALL UNITS OF STATE, COUNTY, AND LOCAL GOVERNMENT IN THE STATE
22 SHALL MAKE AVAILABLE THE INFORMATION AND ASSISTANCE THAT THE
23 DEPARTMENT REQUIRES IN EXERCISING ITS FUNCTIONS UNDER THIS SUBTITLE.

24 (B) (1) BEFORE SUBMITTING AN APPLICATION TO THE DEPARTMENT
25 UNDER § 6-904 OF THIS SUBTITLE, LOCAL JURISDICTIONS OR A REGIONAL
26 PARTNERSHIP MAY SUBMIT FOR REVIEW BY THE DEPARTMENT INFORMATION
27 ABOUT:

28 (I) THE PROPOSED STRUCTURE AND MEMBERSHIP OF A REGIONAL
29 PARTNERSHIP;

30 (II) THE PLAN REQUIRED TO BE SUBMITTED UNDER § 6-904 OF THIS
31 SUBTITLE; OR

32 (III) BOTH.

33 (2) IF THE DEPARTMENT DETERMINES THAT THE INFORMATION
34 SUBMITTED BY LOCAL JURISDICTIONS OR A REGIONAL PARTNERSHIP UNDER
35 PARAGRAPH (1) OF THIS SUBSECTION DOES NOT COMPLY WITH THIS SUBTITLE OR
36 WITH REGULATIONS THE DEPARTMENT ADOPTS TO CARRY OUT THIS SUBTITLE, THE

1 DEPARTMENT SHALL PROVIDE TECHNICAL ASSISTANCE AND SUGGEST REMEDIAL
2 ACTION TO THE LOCAL JURISDICTIONS OR REGIONAL PARTNERSHIP.

3 (C) AT ANY TIME ON REQUEST BY LOCAL JURISDICTIONS OR A REGIONAL
4 PARTNERSHIP, THE DEPARTMENT SHALL PROVIDE TECHNICAL ASSISTANCE TO THE
5 LOCAL JURISDICTIONS OR REGIONAL PARTNERSHIP CONCERNING
6 IMPLEMENTATION OF THIS SUBTITLE.

7 6-910.

8 THE DEPARTMENT MAY ADOPT ANY REGULATION NECESSARY TO CARRY OUT
9 THIS SUBTITLE.

10 6-911.

11 (A) THIS SUBTITLE MAY NOT BE CONSTRUED TO CREATE A PRIVATE CAUSE OF
12 ACTION FOR ANY PERSON, LOCAL JURISDICTION, OR REGIONAL PARTNERSHIP.

13 (B) A DECISION TO FUND OR NOT TO FUND A JOINT ACTIVITY UNDER THIS
14 SUBTITLE IS NOT SUBJECT TO TITLE 10, SUBTITLE 2 (ADMINISTRATIVE PROCEDURE
15 ACT - CONTESTED CASES) OF THE STATE GOVERNMENT ARTICLE.

16 6-912.

17 THIS SUBTITLE MAY BE CITED AS THE "MARYLAND REGIONAL ECONOMIC
18 COMPETITIVENESS ACT".

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 1999.